



Section L

Landlord & Site Services

PROJECT MANAGERS

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INTRODUCTION

Landlord and Site Services consists of Project Baseline Summary (PBS) RL-SS02, Work Breakdown Structure (WBS) 3.4.2.

NOTE: Unless otherwise noted, all information contained herein is as of the end of March 2002.

Fiscal-year-to-date milestone performance (EA, DOE-HQ, and RL) shows that one milestone was completed ahead of schedule and one milestone is forecasted on schedule.

NOTABLE ACCOMPLISHMENTS

Landlord Services, 3.4.2.1

Fleet Service Shop Improvement – Fleet Operations has installed a drive-on vehicle hoist in the 400 Area fleet service shop. This hoist will improve the quick lube service enabling completion in 30 minutes or less.



By-Pass Loop Installation at 182B – Central Maintenance Service fabricated and installed a new 4" by-pass loop at 182B. This replacement was needed because a ship's wheel valve had deteriorated and was leaking, causing operational problems and safety concerns. The valve will be removed within the next several months and a blank spool piece will be installed.

Emergency Preparedness Tabletop – The annual Emergency Preparedness Tabletop exercise was conducted on March 21, 2002. This exercise involved key emergency management personnel from RL, ORP, Hanford Contractors, County, State, Law Enforcement, and Fire Department agencies in Washington and Oregon. This year's exercise involved a transportation accident involving a Multi-Canister Overpack container filled with spent fuel followed by a series of lightning strikes causing range fires in Benton County and on the Hanford Site. The tabletop format permits all agencies to better understand interfaces and priorities of responders during emergency situations. The exercise is conducted over a four hour period and begins with initial event discovery and proceeds through the early ingestion phase of the response. The participants indicated this year's exercise provided them with an enhanced understanding of the activities conducted by offsite agencies.

Automated Job Hazards Analysis (AJHA) Software Update – An extensive update of AJHA code was conducted to align it with the current versions of Microsoft Access and Structured Query Language (SQL). This also provided the opportunity to review the code and streamline it to optimize performance. The update was necessary since the versions of Access and SQL previously in use would soon not be supported by Microsoft. Overall, the upgrade has improved program speed and establishes a baseline for future feature enhancements.

Job Fair at the Tri-Cities Washington State University (WSU) Branch Campus – The Hanford Fire Department (HFD) participated in a Job Fair held at the Tri-Cities WSU Branch Campus in late March 2002 in support of outreach efforts to attract female and minority candidates.

Prescribed Burning Of Vagrant Tumbleweeds – The HFD conducted prescribed burning activities at the Rattlesnake barricade and the 200 West Area fence line to mitigate the accumulated vagrant tumbleweeds and maintain fire safety zones. Burning activities will occur throughout the spring in preparation for the upcoming wildland fire season.



Analytical Services, 3.4.2.2

Support to CH2M HILL Hanford Group, Inc. (CHG) – FH Analytical Services staff were recognized for support to CHG during a luncheon for completion of the Safety Equipment List (SEL) Upgrade & Waste Transfer System Pressure Analysis. The 222-S data on high-level waste physical properties will be used in a hydraulic model of the waste transfers planned from tank farms to the Waste Treatment Plant. These analyses will support the design pressure and velocity needed to successfully transfer high-level waste without plugging the lines.

Infrastructure Upgrades, 3.4.2.3

Uninterrupted Power Source (UPS) Replacement – This Expense funded project evaluated ten HLAN locations requiring UPS backup power for proper capacity, output quality, and length of battery backup time. An audit team has found the need to relocate three existing 30KVA units and three existing 2KVA UPS to facilities that can accommodate that load. The Federal Building design to provide UPS power completed on March 11, 2002. This project will also relocate an existing 30KVA to the Federal building providing the needed UPS power for this HUB location.

Project L-310, "Export Waterline to 200 West Area" – This FY 2000 General Plant Project (GPP), funded in FY 2000 and 2001, designed and constructed 2.5-mile long, 18-inch diameter, export water pipeline from the 2901-Y Valve House to the 282-WA Reservoir Inlet Building. This new pipeline was installed parallel to the existing concrete export water pipeline, and provides an alternate source of water to the 200 West Area in the event of a pipeline failure. Project L-310 completed all construction exceptions on March 7, 2002.



BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Opportunities for Improvement

Two Technologies Proposed to Support Life Cycle Cost Reductions – Analytical Services has proposed two technologies to support life cycle cost reductions for Hanford's high-level waste tanks mission acceleration initiative. One is clean salt (sodium nitrate) removal before waste treatment (sodium nitrate is a high percentage by volume in the waste tanks) and the other is Chromatographic Retrieval of wastes, which if proven, could selectively remove various constituents through successive water washes. Both have been demonstrated in the laboratory and were selected by CHG as two of the top ten alternatives for saving money and time in waste treatment. Further evaluation will be done to see if these and/or other technologies warrant funding for planned deployment in 2005. The Tank Focus Area has also requested a proposal be made to the Office of Science and Technology for the second of these technologies.

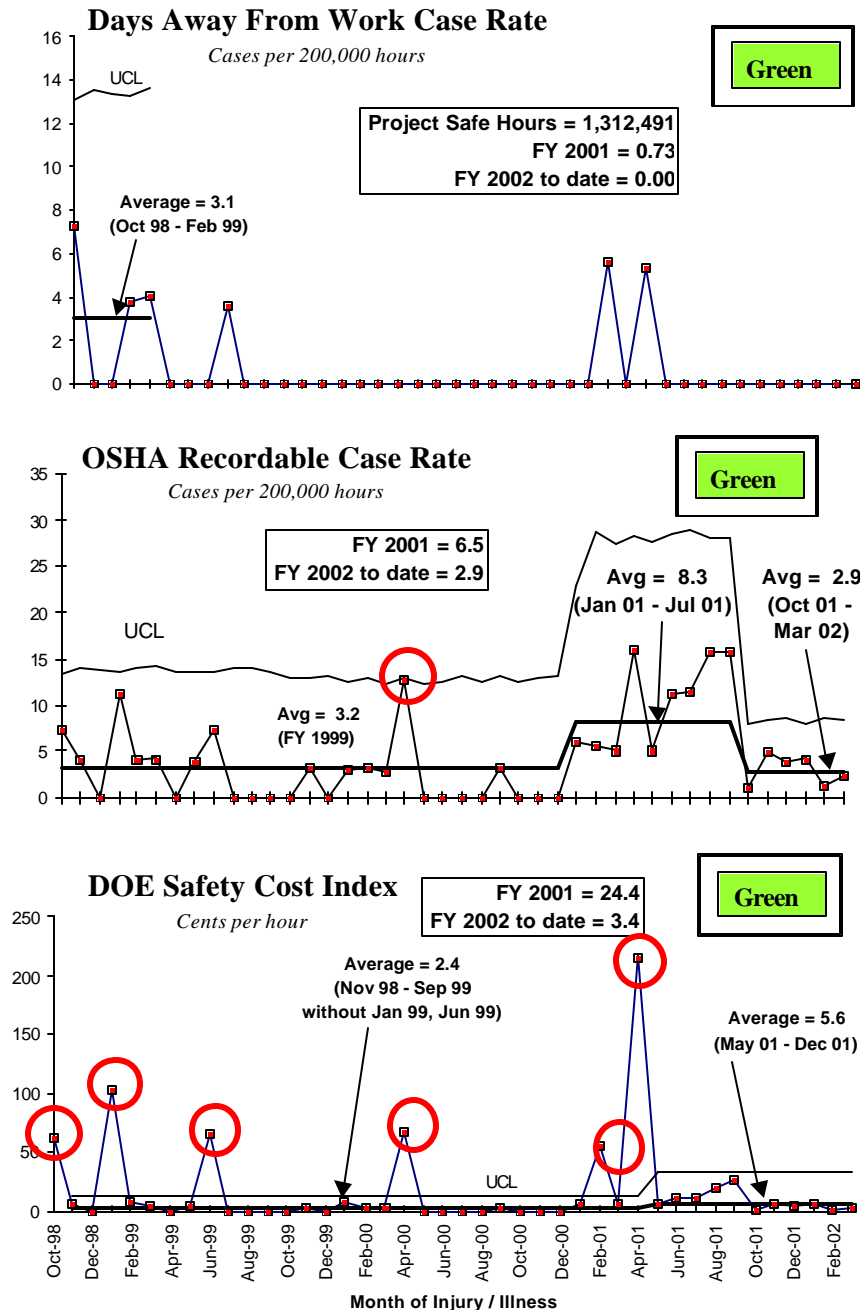
UPCOMING ACTIVITIES

Landlord Services, 3.4.2.1

2002 HFD Third Party Needs Assessment – The next deliverable from the Third Party Needs Assessment team is in April 2002 at which time the full draft assessment report will be provided for comment.

SAFETY

Several actions have been initiated to improve safety performance including implementing a Zero Accident Council (ZAC) structure, which includes six directorate and 35 grass-roots level councils, and implementing a Safety Improvement Program. The past six months have shown improvement over the FY 2001 performance – one more months will reflect a statistically significant decrease. The DOE Safety Cost Index was rebaselined to a lower level, following the significant decrease noted last month. In October 2001, all organizations except for IRM were added into the Landlord category. This significantly increased the population size of this group.



MILESTONE ACHIEVEMENT FH CONTRACT MILESTONES

Number	Milestone Title	Type	Due Date	Actual Date	Forecast Date	Status/ Comments
LLP-01-535	L-339, PFP Water System Isolation - Install Sanitary Water to WRAP	RL	12/28/01	12/20/01	12/21/01	Completed.
LLP-01-515	L-276, Equipment bay Const. Phase II - Complete Construction of Project L-276	RL	6/14/02		6/14/02	On Schedule.

NOTE: Above data includes all TPA/DNFSB/Performance Incentive milestones as included in the FH baseline, and provides Contract-to-Date status.

PERFORMANCE OBJECTIVES

Nothing to report at this time.

FY 2002 SCHEDULE / COST PERFORMANCE – ALL FUND TYPES FY TO DATE STATUS – (\$000)

By PBS		FYTD							
		BCWS	BCWP	ACWP	SV	%	CV	%	BAC
PBS SS02	Landlord Services								
WBS 3.4.2.1		\$ 32,134	32290	\$ 31,702	\$ 156	0.5%	\$ 588	1.8%	\$ 68,583
WBS 3.4.2.2	Analytical Services	\$ 16,647	\$ 15,347	\$ 16,148	\$ (1,300)	-7.8%	\$ (801)	-5.2%	\$ 34,513
WBS 3.4.2.3	Infrastructure Upgrades	\$ 4,052	\$ 2,898	\$ 2,286	\$ (1,154)	-28.5%	\$ 612	21.1%	\$ 11,753
WBS 3.4.2.4	Landlord & Site Services Project Management & Support	\$ 6,077	\$ 6,077	\$ 6,558	\$ -	0.0%	\$ (481)	-7.9%	\$ 12,104
WBS 3.4.2.4	Landlord Services Revenue	\$ (17,042)	\$ (17,042)	\$ (12,546)	\$ -		\$ (4,496)	26.4%	\$ (34,084)
Total		\$ 41,868	\$ 39,570	\$ 44,148	\$ (2,298)	-5.5%	\$ (4,578)	-11.6%	\$ 92,869

FY TO DATE SCHEDULE / COST PERFORMANCE

The \$2.3 million (6 percent) unfavorable schedule variance is primarily due to delay in initiating laboratory and infrastructure upgrades and equipment procurements due to FY 2002 funding issues.

The \$4.6 million (12 percent) unfavorable cost variance is primarily due to revenue shortfalls.

For all active sub-PBSs and TTPs associated with the Operations/Field Office, Fiscal Year to Date (FYTD) Cost and Schedule variances exceeding + / - 10 percent or one million dollars require submission of narratives to explain the variance.

Schedule Variance Analysis: (-\$2.3M)

Landlord Services — 3.4.2.1/SS02

Description and Cause: The \$0.2M favorable schedule variance is within established threshold.

Impact: None.

Corrective Action: None.

Analytical Services — 3.4.2.2/SS02

Description and Cause: The \$1.3M (8 percent) unfavorable schedule variance is due to delays in initiating facility and equipment reliability upgrades pending resolution of FY 2002 funding issues.

Impact: FY 2002 funding issues have resulted in a number of upgrades being placed on hold to remain within funds authorization. The continued deferral of upgrades/equipment may potentially impact Analytical Services ability to respond to customer requirements in a timely manner.

Corrective Action: The facilities were directed to proceed with selected upgrades and CENRTC procurements.

Infrastructure Upgrades — 3.4.2.3/SS02

Description and Cause: The \$1.2M (29 percent) unfavorable schedule variance is due to the deferral, late start, or on hold status of many infrastructure construction activities and equipment replacements due to FY 2002 funding issues. The negative schedule variance is skewed due to the completion of a fire truck in FY 2001 planned for completion in FY 2002 (fiscal year to date performance does not allow for performance from a prior year to count towards schedule completion in the current fiscal year).

Impact: Several contracts for capital equipment procurements remain on hold (aerial man-lift, electrical utility truck, test truck) due to FY 2002 spending constraints. The continued deferral of infrastructure upgrades and equipment may potentially impact other site operations due to unplanned failures to aging systems or equipment.

Corrective Action: Selected upgrades are proceeding. A baseline change request is in process to defer selected projects.

Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

Description and Cause: None.

Impact: None.

Corrective Action: None.

Cost Variance Analysis: (-\$4.6M)

Landlord Services — 3.4.2.1/SS02

Description and Cause: The \$0.6M favorable cost variance is within established thresholds.

Impact: None.

Corrective Action: None

Analytical Services — 3.4.2.2/SS02

Description and Cause: The \$0.8M unfavorable cost variance is within established thresholds.

Impact: None.

Corrective Action: None.

Infrastructure Upgrades — 3.4.2.3/SS02

Description and Cause: The \$0.6M (21 percent) favorable cost variance is due to the receipt of a favorable bid for Project L-310, "Replacement of 24-inch Export Water Line." In addition, Project L-276, "Emergency Services Vehicle Bay Renovation," costs are skewed due to understated accruals and overstated progress of the project.

Impact: None.

Corrective Action: None.

Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

Description and Cause: The \$0.5M unfavorable cost variance is within established thresholds.

Impact: None.

Corrective Action: None

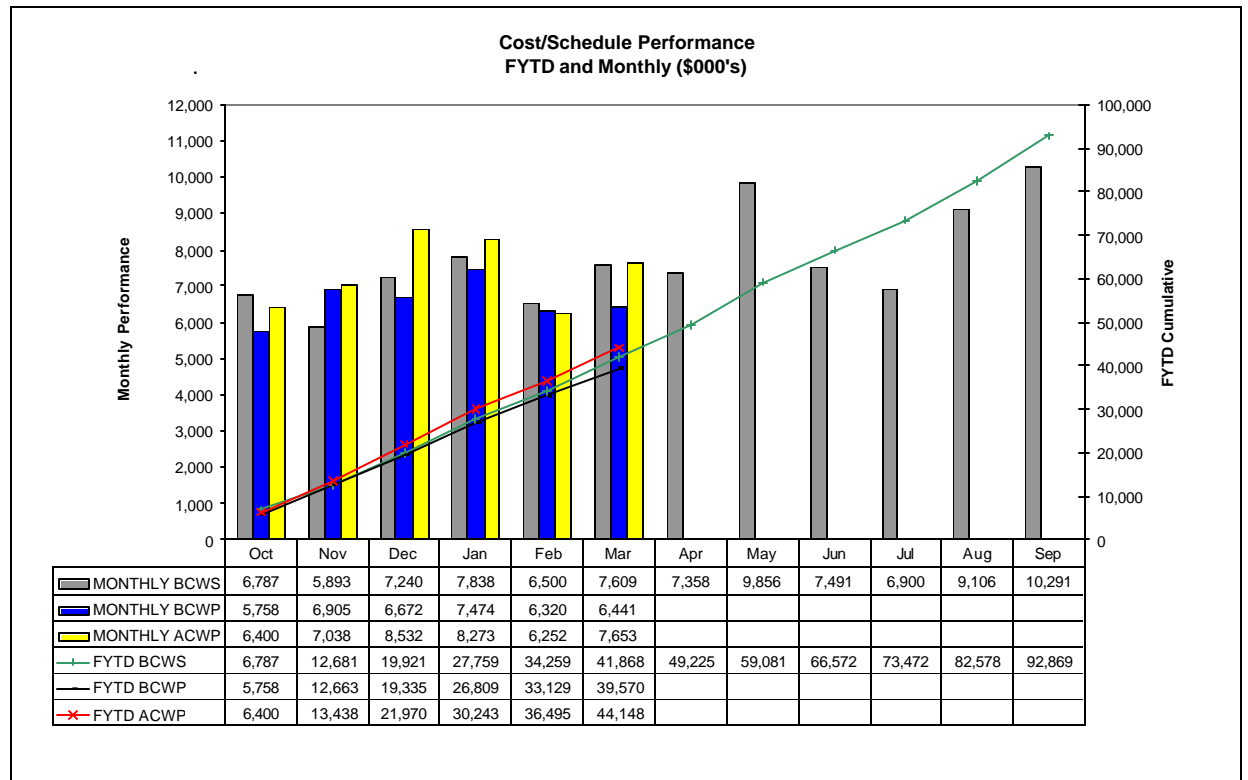
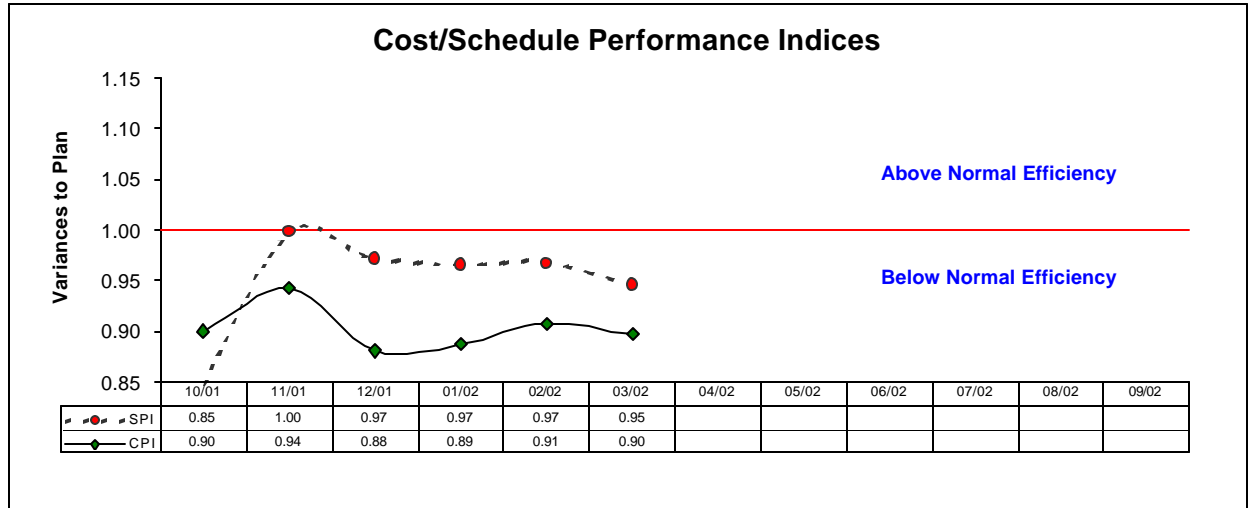
Landlord Services Revenue — 3.4.2.4/SS02

Description and Cause: The \$4.5M (26 percent) unfavorable cost variance is due to shortfalls in shared services revenue assessments to non-PHMC customers. The maintenance, janitorial, and ESH&Q department overheads originally assumed to be included in the direct distributable rate are excluded because they were not classified as a shared service in FY 2001. Also contributing to the unfavorable variance is reduction in Fabrication Services direct labor adder due to reduced FY 2002 rates.

Impact: FH reallocation of funds addressed previous revenue shortfall projections. However, the recently identified revenue issues result in a projected \$2.2M revenue shortfall.

Corrective Action: Discussions/analysis are ongoing regarding necessary corrective actions.

COST / SCHEDULE PERFORMANCE (MONTHLY AND FYTD)



FUNDS MANAGEMENT

FYTD FUNDS VS SPENDING FORECAST (\$000)

	Expected Funds	FYSF	Variance
3.4.2 Landlord & Site Services - SS02			
Project Completion -	\$ 89,683	\$ 91,751	\$ (2,068)
- Line Item			
Total	\$ 89,683	\$ 91,751	\$ (2,068)

ISSUES

Technical, Regulatory, External, and DOE Issues and DOE Requests

Issue: Nothing to report at this time.

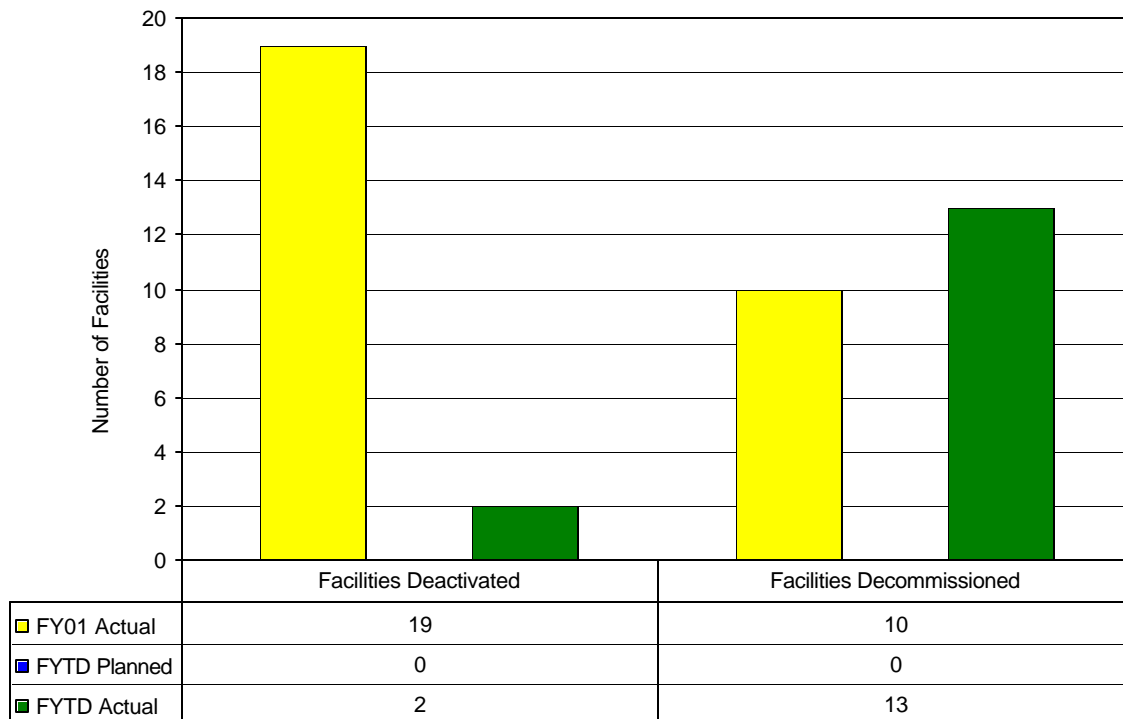
Impacts: None.

Corrective Action: None at this time.

BASELINE CHANGE REQUESTS CURRENTLY IN PROCESS

BCR No./ Level 4 WBS	Date Originated	Description	Impact		Date Approved	Status
			Days	Dollars (\$000s)		
SS02-02-012/3.4.2	11/26/01	Baseline Assumption Adjustment	0	0	4/9/02	Approved. Implementation in process.
FH-2002-012/3.4.2	2/20/02	Transfer of Geospatial Management Workscope		38		In Process
SS02-02-020/3.4.2.2	2/5/02	RL Requested USQ Process Change Impacts on the 222-S Laboratory		5		In Process
SS02-02-025/3.4.2.1	3/8/02	Operation and Maintenance Responsibility of Lift Station Number One				In Process. Project Approved 3/27/02. Submitted to FH-RMB for review/approval.
SS02-02-028/3.4.2.1 - 3.4.2.2	3/28/02	Nuclear Safety Basis Strategy in Accordance with 10 CFR 830		436		In Process. Project Approved 4/1/01. Submitted to FH-RMB.
FH-2002-007/3.4.2.1	1/23/02	Transfer Facilities per RL Letter of Direction				In Process (outyear cost impact - \$1.1M)
SS02-02-029/3.4.2.3	4/4/02	Rebaseline Project L-347, VHF/UHF Narrowband Migration				In Process

FACILITY DEACTIVATION/DECOMMISSIONING



Facilities Deactivated: Landlord Services is on schedule to deactivate four facilities by Fiscal Year end.

Facilities Decommissioned: More facilities and mobiles became available than planned and were disposed of.